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To Whom It May Concern:

I am writing on behalf of the California Labor Federation's, Workforce and Economic Development Program to provide input on the "Draft Concept Paper" regarding the Air Resources Board's *Cap-and-Trade Auction Proceeds Investment Plan*. Most specifically, in order to maximize the opportunities for meeting the goals outlined in the draft plan, I wish to recommend the inclusion of the workforce development strategies adopted by the State Workforce Investment Board's, Green Collar Jobs Council to provide guidance for the utilization of Prop 39 workforce dollars.

The document outlines strategies that can help California generate the greatest quantity of good jobs from not only Prop 39 funding, but cap-and-trade investments and other clean energy programs and that improve job opportunities for low-income Californians. These recommendations are based on extensive research on workforce development in the clean energy sectors and the results of American Recovery and Reinvestment Act (ARRA) and other green jobs programs. The strategies provide best practices that maximize positive job impacts and address inequality, and they highlight the need to address the following job impacts:

Quantity of jobs: Energy efficiency and clean energy investments generate about ten to twelve jobs per million dollars of annual investment. While cap-and-trade can generate jobs across California, there is a need to caution against over-promising on the number of jobs, particularly the number of new entry-level jobs. The more cap-and-trade funds are matched with private investment, the more jobs cap-and-trade will produce.

Quality of jobs: Energy efficiency and clean energy investments produce good jobs when there are clear skill certifications for workers and performance standards for participating contractors. These standards are also key to insure that high quality work is performed and energy goals are met.

Access to jobs for targeted groups: Youth, veterans, women and disadvantaged workers can gain access to jobs through a combination of workforce development services (training, case management, and job placement) *and* targeted hire policies and/or jobs programs specifically designed for entry-level workers. This explicit linkage of training-to-jobs is necessary to maximize opportunities without raising false hopes for placing graduates in jobs.

Training alone does not create jobs. A key element of cap-and-trade's workforce strategy should be setting standards on the energy efficiency and clean energy funds to ensure that they create good jobs and that there are pathways into these jobs. Training investments should only be made when there are concrete opportunities for preparing

workers for actual jobs and most importantly, careers. The following are the recommendations made in relation to the utilization of workforce dollars generated by Proposition 39, but are equally applicable to cap-and-trade workforce dollars.

First, there should be a request for proposal (RFP) process for training investments that is managed by the Labor Agency, given its workforce and training expertise, with input from the California Energy Commission (CEC), California Public Utilities Commission (CPUC) and other energy experts, with the following criteria for selection:

- Training should be demand-driven, with deep engagement from employers in the design and implementation of training programs, and include other commitments from employers, such as the commitment to hire new workers and/or increase the skills of incumbent workers.
- Training should emphasize “green” skills that are embedded in a broader occupation, not just specialized green tasks, because these have greater impact on energy efficiency and clean energy generation and help trainees develop a career with a future.
- Funds should be targeted to career pathway programs that offer ongoing educational and career advancement and combine foundational skills (work readiness; basic skills, including English language learning; and science, technology, engineering and math skills) and technical training.
- Training should lead to industry-recognized credentials and certifications that, to the extent possible, provide college credit or are linked to credit-bearing programs.
- Priority should go to training that is based in existing institutions-- i.e. Department of Education, Community Colleges, State Workforce Investment Board, Employment Development Department, State-approved Apprenticeship Programs, Employment Training Panel, workforce investment boards, etc. that can sustain funding after the grant ends and/or is conducted at an employer’s worksite.
- Funds should be available to “sector strategy” intermediaries that can build and coordinate partnerships among employers, labor, educational institutions, community-based organizations, philanthropy and others.
- Programs that expand utilization of state-approved apprenticeship programs and other “learn-and-earn” models that promote industry recognized skills credentials should be favored.

- Priority for investments in entry level training should go to low-income communities.

Cap-and-trade investments should also be directed toward statewide and system-wide alignment of California's major training and education programs for energy-related skills and occupations.

- They should support alignment of state-certified apprenticeships programs with programs that prepare entry-level workers by funding pre-apprenticeship programs affiliated through appropriate documentation, such as a memorandum of understanding (MOU), with a state-approved apprenticeship program(s). These include pre-apprenticeship partnerships in community colleges, high schools, Youth Build, Conservation Corps, and similar established organizations. Funding for this pre-apprenticeship training should be carefully calibrated to estimates of demand for new apprentices.
- They should support incorporation of energy related skills in high performing state-registered apprenticeship programs, both through apprentice training and journey-upgrade training, in collaboration with the community colleges and adult education. This should include the incorporation of health and safety training on the specific risks in this sector.
- They should support high quality high school partnership academy, linked-learning pathway, and concurrent enrollment programs that demonstrate articulation with community college career technical education (CTE) programs that lead to jobs related to energy efficiency and clean energy.
- They should encourage partnerships among community colleges, adult education providers, local workforce investment boards, state approved apprenticeship programs, and other public programs to leverage multiple resources.
- They should encourage coordination and co-funding with other sources of workforce training in occupations relevant to energy efficiency and clean energy, including the CEC's Energy Program Investment Charge (EPIC) funding and the investor-owned utility (IOU) ratepayer funds for workforce education and training.

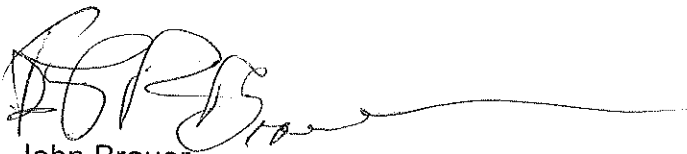
Accountability of the use of these dollars will be important, and in order to avoid the shortfalls of previous green workforce initiatives, action should be taken to monitor implementation activities by those with the expertise and ability to do so. The Labor Agency is the logical lead agency to direct and manage research needed for successful implementation of workforce development investments and jobs programs, as well as data tracking and evaluation of the job impacts of cap-and-trade workforce dollars.

This includes:

- Research on labor demand and skill gaps, employer engagement, and other information needed to design successful training and education programs.
- Data tracking on the quantity and quality of jobs per dollar invested, the demographic and geographic profile of workers in these jobs, and the job placement and career outcomes (and costs) of training investments.
- Analysis of the impact on job creation of program characteristics and other dynamics in order to make annual recommendations for program refinements based on these findings.

Thank you for your consideration of my comments. I can be reached at (510) 663-4028 or [jbrauer@calaborfed.org](mailto:jbrauer@calaborfed.org).

Sincerely,

A handwritten signature in black ink, appearing to read 'John Brauer', followed by a long horizontal flourish line.

John Brauer  
Program Director,  
Workforce & Economic Development  
California Labor Federation